

**State of Connecticut
Office of Health Care Access
Letter of Intent/Waiver Form
Form 2030**

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CONNECTICUT OFFICE OF
HEALTH CARE ACCESS

All Applicants must complete a Letter of Intent (LOI) form prior to submitting a Certificate of Need application, pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes and Section 19a-643-79 of OHCA's Regulations. Please submit this form to the Commissioner of the Office of Health Care Access, 410 Capitol Avenue, MS# 13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. APPLICANT INFORMATION

If there are more than two Applicants, please attach a separate sheet of paper and provide additional information in the format below.

	Applicant One	Applicant Two
Full legal name	Saint Francis Hospital and Medical Center	
Doing Business As	Saint Francis Hospital and Medical Center	
Name of Parent Corporation	Saint Francis Care	
Mailing Address, if Post Office Box, include a street mailing address for Certified Mail	114 Woodland Street Hartford, CT 06105	
Applicant type (e.g., profit/non-profit)	Non-profit	
Contact person, including title or position	Chris Hartley, Senior Vice President Planning and Facilities Development	

Contact person's street mailing address	Saint Francis Hospital and Medical Center Planning Department 114 Woodland Street Hartford, CT 06105	
Contact person's phone #, fax # and e-mail address	(860) 714-5573 phone (860) 714-8093 fax chartley@stfranciscare.org	

SECTION II. GENERAL APPLICATION INFORMATION

a. Proposal/Project Title:

Replacement of Accounts Payable and Materials Management Systems

b. Type of Proposal, please check all that apply:

☒ Change in Facility (F), Service (S) or Function (Fnc) pursuant to Section 19a-638, C.G.S.:

- | | | |
|--|---|--|
| <input type="checkbox"/> New (F, S, Fnc) | <input checked="" type="checkbox"/> Replacement | <input type="checkbox"/> Additional (F, S, Fnc) |
| <input type="checkbox"/> Expansion (F, S, Fnc) | <input type="checkbox"/> Relocation | <input type="checkbox"/> Service Termination |
| <input type="checkbox"/> Bed Addition` | <input type="checkbox"/> Bed Reduction | <input type="checkbox"/> Change in Ownership/Control |

☐ Capital Expenditure/Cost, pursuant to Section 19a-639, C.G.S.:

☒ Project expenditure/cost cost greater than \$ 1,000,000

☐ Equipment Acquisition greater than \$ 400,000

- | | | |
|----------------------------------|---|--|
| <input type="checkbox"/> New | <input type="checkbox"/> Replacement | <input type="checkbox"/> Major Medical |
| <input type="checkbox"/> Imaging | <input type="checkbox"/> Linear Accelerator | |

☐ Change in ownership or control, pursuant to Section 19a-639 C.G.S., resulting in a capital expenditure over \$1,000,000

- c. Location of proposal (Town including street address):

**Saint Francis hospital and Medical Center
114 Woodland Street
Hartford, CT 06105**

- d. List all the municipalities this project is intended to serve:

Greater Hartford and Beyond. Please refer to the attached list of towns.

- e. Estimated starting date for the project: **March 2006**

- f. Type of project: 28 (Fill in the appropriate number(s) from page 7 of this form)

Number of Beds (to be completed if changes are proposed)

Type	Existing Staffed	Existing Licensed	Proposed Increase (Decrease)	Proposed Total Licensed
N/A	N/A	N/A	N/A	N/A

SECTION III. ESTIMATED CAPITAL EXPENDITURE INFORMATION

- a. Estimated Total Capital Expenditure: \$ 2,220,000

- b. Please provide the following breakdown as appropriate:

Construction/Renovations	\$0
Medical Equipment (Purchase)	\$0
Imaging Equipment (Purchase)	\$0
Non-Medical Equipment (Purchase)	\$2,220,000
Sales Tax	\$0
Delivery & Installation	\$0
Total Capital Expenditure	\$2,220,000
Fair Market Value of Leased Equipment	\$0
Total Capital Cost	\$2,220,000

Major Medical and/or Imaging equipment acquisition:

Equipment Type	Name	Model	Number of Units	Cost per unit
N/A	N/A	N/A	N/A	N/A

Note: Provide a copy of the contract with the vendor for major medical/imaging equipment.

c. Type of financing or funding source (more than one can be checked):

- ☒ Applicant's Equity ☐ Lease Financing ☐ Conventional Loan
☐ Charitable Contributions ☐ CHEFA Financing ☐ Grant Funding
☐ Funded Depreciation ☐ Other (specify): _____

SECTION IV. PROJECT DESCRIPTION

Please attach a separate 8.5" X 11" sheet(s) of paper and provide no more than a 2 page description of the proposed project, highlighting all the important aspects of the proposed project. Please be sure to address the following (if applicable):

1. Currently what types of services are being provided? If applicable, provide a copy of each Department of Public Health license held by the Petitioner.
2. What types of services are being proposed and what DPH licensure categories will be sought, if applicable?
3. Who is the current population served and who is the target population to be served?
4. Identify any unmet need and how this project will fulfill that need.
5. Are there any similar existing service providers in the proposed geographic area?
6. What is the effect of this project on the health care delivery system in the State of Connecticut?
7. Who will be responsible for providing the service?
8. Who are the payers of this service?

See the attached summary.

If requesting a Waiver of a Certificate of Need, please complete Section V.

SECTION V. WAIVER OF CON FOR REPLACEMENT EQUIPMENT

I may be eligible for a waiver from the Certificate of Need process because of the following:
(Please check all that apply)

- ☐ This request is for Replacement Equipment.
 - ☐ The original equipment was authorized by the Commission/OHCA in Docket Number: _____.
 - ☐ The cost of the equipment is not to exceed \$2,000,000.
 - ☐ The cost of the replacement equipment does not exceed the original cost increased by 10% per year.

This question is not applicable since Saint Francis Hospital and Medical Center is not requesting a waiver of Certificate of Need.

Please complete the attached affidavit for Section V only.

Please refer to the attached affidavit.

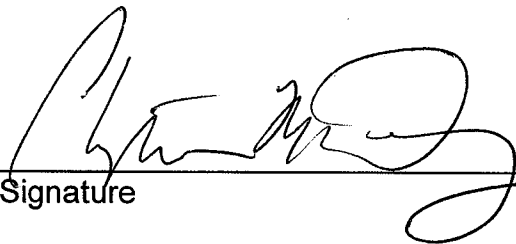
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AFFIDAVIT

Applicant: **Saint Francis Hospital and Medical Center**

Project Title: **Replacement of Accounts Payable and Materials Management Systems**

I, **Christopher Dadlez, President and Chief Executive Officer of Saint Francis Hospital and Medical Center** being duly sworn, depose and state that the information provided in this CON Letter of Intent/Waiver Form (2030) is true and accurate to the best of my knowledge, and that **Saint Francis Hospital and Medical Center** complies with the appropriate and applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486 and/or 4-181 of the Connecticut General Statutes.


Signature

11/3/05
Date

Subscribed and sworn to before me on November 3, 2005


Notary Public/Commissioner of Superior Court

My commission expires: 5/31/07

Project Type Listing

Please indicate the number or numbers of types of projects that apply to your request on the line provided on the Letter of Intent Form (Section II, page 2).

Inpatient

1. Cardiac Services
2. Hospice
3. Maternity
4. Med/ Surg.
5. Pediatrics
6. Rehabilitation Services
7. Transplantation Programs
8. Trauma Centers
9. Behavioral Health (Psychiatric and Substance Abuse Services)
10. Other Inpatient

Outpatient

11. Ambulatory Surgery Center
12. Birthing Centers
13. Oncology Services
14. Outpatient Rehabilitation Services
15. Paramedics Services
16. Primary Care Clinics
17. Urgent Care Units
18. Behavioral Health (Psychiatric and Substance Abuse Services)
19. MRI
20. CT Scanner
21. PET Scanner
22. Other Imaging Services
23. Lithotripsy
24. Mobile Services
25. Other Outpatient
26. Central Services Facility

Non-Clinical

27. Facility Development
28. Non-Medical Equipment
29. Land and Building Acquisitions
30. Organizational Structure (Mergers, Acquisitions, Affiliations, and Changes in Ownership)
31. Renovations
32. Other Non-Clinical

Summary

Saint Francis Hospital and Medical Center currently uses the McKesson NOVA and TITAN products for Accounts Payable and Materials Management. Effective March 31, 2006, McKesson will discontinue development efforts and after March 31, 2007, McKesson will discontinue all support services for these products. Saint Francis Hospital and Medical Center will need to replace both systems prior to March 2007 in order to insure smooth and uninterrupted operations in these two critical areas of business.

After completing an assessment of Saint Francis Hospital and Medical Center's information system needs and an analysis of available products to replace this functionality, the PeopleSoft Software Modules for Accounts Payable and Materials Management were selected as the best products. Specific modules and functional areas being addressed by the new system include:

- Enterprise Financials Payables to efficiently manage disbursements and maintain controls over matching, approval processes and payments.
- Enterprise Supply Chain Management for Purchasing, Inventory and eProcurement to manage the purchase order, requisition, inventory and procurement processes.

These systems were selected for the following reasons:

- In addition to replacing the core functionality already available in the systems that require replacement, additional capabilities will be available to improve productivity and gain efficiencies. These include sophisticated e-procurement requisition and workflow capabilities, electronic interface to vendor catalogs, and utilization of additional Electronic Data Interchange transactions to optimize supply chain management.
- The new software will provide the capability of integration with the Surgical Services systems to improve supply usage measurement and billing.
- The organization currently uses PeopleSoft Software for General Ledger, Payroll, Asset Management and Human Resources and the Information Technology staff has already developed the necessary skills and programming expertise to implement and maintain PeopleSoft applications, thus minimizing some of the immediate training and long term staff maintenance costs associated with these systems upgrades. Integration with General Ledger and Asset Management will also be easier to achieve.

The system acquisition costs can be separated into four major components: the hardware (\$300,000), the software, installation and first year maintenance (\$820,000), training and vendor implementation (\$700,000) and Information Technology staff salary (\$400,000). It is estimated that the system implementation will require approximately twelve months to complete.

Saint Francis Hospital and Medical Center is not seeking a new license nor will health care services change as a result of this project. This project will not affect area providers

since this proposal is for computer upgrades to support systems software in the support areas of financial services and materials management for non clinical services. Saint Francis Hospital and Medical Center continues to accept all patients regardless of their race, creed, age, gender, religion or their ability to pay. Saint Francis Hospital and Medical Center expects the payer sources for its patients to be unaffected by this proposal. In addition, the population to be served will also remain unchanged. This project will have a positive effect on the health care delivery system in the State of Connecticut since this project will improve the internal systems at Saint Francis Hospital and Medical Center and thereby improve the efficiency of hospital operations.

Saint Francis Hospital and Medical Center Service Area

Primary Service Area

West Hartford
Hartford
East Hartford
Bloomfield
Windsor
Windsor Locks
East Granby
Granby
Suffield
South Windsor
Simsbury
Canton
Avon
Farmington
East Windsor
Ellington
Somers
Stafford/Union
Enfield
Manchester/Bolton
Andover
Vernon
Tolland

Secondary Service Area

Rocky Hill
Wethersfield
Newington
New Britain
Plainville
Cromwell
Berlin
Southington
Glastonbury
Marlborough
Hebron
Bristol
Burlington
Harwinton
Thomaston
Plymouth
Wolcott
Middletown
Meriden
Middlefield
Portland
East Hampton
Colebrook
Hartland
New Hartford
Norfolk
Barkhamsted
Torrington
Winchester/Winsted